

ND AN No. 1447 (HB-1-3550)

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT
BISMARCK ND 58502**

August 10, 2005

SUBJECT: Judgment Debtors

TO: All Rural Development Field Offices in North Dakota

PURPOSE/INTENDED OUTCOME:

The purpose of this North Dakota Administrative Notice (AN) is to provide guidance to Rural Development Staff in satisfying Judgment Debtors.

COMPARISON WITH PREVIOUS AN:

This AN replaces ND AN 1417 (HB-1-3550) dated May 20, 2004.

IMPLEMENTATION/RESPONSIBILITIES:

When the United States Attorney issues the Notice of Sale, the Judgment is also issued and recorded. The judgment information is then forwarded to CSC where it is recorded in MortgageServ, establishing the borrower as a Judgment Debtor.

To determine whether we will debt settle the borrower's account or pursue judgment, the United States Attorney requests that after the foreclosure sale the Field Offices request Form RD 1944-3, "Budget and/or Financial Statement" be completed by the borrower. The borrower will be given 30 days to submit the information to the Field Office.

In addition to the information the borrower provides, the narrative to the State Office will include the following documentation: Address of borrower(s), where employed, wage amount, any known assets, and detailed information on the borrower(s) past cooperation in meeting all of their obligations. Based upon your findings, your recommendation will assist in determining whether we will pursue judgment or debt settlement.

EXPIRATION DATE:
September 30, 2006

FILING INSTRUCTIONS:
Following ND Supplement
Appendix 7 of HB-1-3550

If judgment is not pursued, the State Office will have the United States Attorney issue a Satisfaction of Judgment. The Satisfaction will then be forwarded to CSC, and they will cancel the remaining debt.

If judgment is pursued, the United States Attorney will try to collect the debt. This will be accomplished by Salary or Treasury Offset. The judgment will be tracked in MortgageServ, accruing at the interest rate at the time the Judgment was initially filed. The payments the United States Attorney receives will be forwarded to CSC and will be reflected in MortgageServ on the Display History Screen.

Retention of the file will be for 20 years, which is the length of the judgment. This judgment maybe extended upon concurrence with the United States Attorney.

If at any time the borrower wishes to pay his judgment in full, the payoff will be verified with the United States Attorney and the State Office.

/s/ Clare A. Carlson
CLARE A. CARLSON
State Director